



Department of Justice

FOR IMMEDIATE RELEASE
TUESDAY, AUGUST 22, 1995

AT
(202) 616-2771
TDD (202) 514-1888

**DALLAS EXPLOSIVES COMPANY AGREES TO PAY A RECORD
\$10 MILLION FINE FOR CONSPIRING TO FIX PRICES OF EXPLOSIVES
SOLD IN THREE STATES**

WASHINGTON, D.C.-- A Dallas explosives company, one of the world's largest manufacturers of commercial explosives, today has agreed to plead guilty and pay a record \$10 million criminal antitrust fine for conspiring to fix the prices of commercial explosives sold in western Kentucky, southern Indiana, and southern Illinois, the Department of Justice announced. The \$10 million fine is the largest fine from a single defendant in a criminal antitrust case.

In a one-count case filed today in U.S. District Court in Dallas, the Justice Department's Antitrust Division charged ICI Explosives USA Inc. with participating in a price fixing conspiracy that began in the Fall of 1988 and continued through mid 1992.

ICI Explosives USA Inc. and its co-conspirators carried out the conspiracy by discussing and agreeing to increase prices for certain commercial explosives and agreeing upon bids or quotes to certain customers. These commercial explosives, such as high explosives and blasting agents, are used in the coal and metal mining, quarry and construction industries. ICI's agreement to pay a \$10 million fine is subject to court approval.

Anne K. Bingaman, Assistant Attorney General in charge of the Antitrust Division, said, "Let this \$10 million fine be a warning to companies who engage in criminal price fixing schemes. If you take part in this type of illegal activity, we will hit you where it hurts most, your pocketbooks."

In a second case, the Antitrust Division filed a one-count felony charge yesterday, also in U.S. District Court in Dallas, against ICI's senior vice president of sales, Withers Waller Caldwell Jr. Caldwell has agreed to plead guilty and pay a criminal fine of \$50,000 for his part in a bid rigging conspiracy involving the sale of commercial explosives to lead mines in Missouri and zinc mines in Tennessee arising from the same investigation.

Caldwell was charged with conspiring with Dyno Industries (USA) Inc. to submit intentionally high, noncompetitive bids to The Doe Run Company, which operates a lead mine in Missouri, and to ASARCO Inc., which operates lead mines in Missouri and zinc mines in Tennessee. Caldwell's fine is subject to court approval.

ICI Explosives USA Inc. cooperated with the government during the Antitrust Division's investigation and it will continue to cooperate in the Division's ongoing investigation, the Department said.

Bingaman added that both charges resulted from an ongoing investigation being conducted by the Division's Litigation I Section with the assistance of the Federal Bureau of Investigation.

The maximum penalty for a corporation convicted of a violation of the Sherman Act is a fine of \$10 million, twice the pecuniary gain the corporation derived from the crime, or twice the pecuniary loss suffered by the victims of the crime, whichever is greater.

The maximum penalty for an individual convicted of a Sherman Act violation is three years imprisonment and a fine not to exceed the greatest of \$350,000, twice the pecuniary gain the individual derived from the crime, or twice the pecuniary loss suffered by the victims of the crime.

###